
By: **Delegate Wood**

Introduced and read first time: February 12, 2003

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Election Law - Employee Membership Entities - Collection and Transmittal**
3 **of Campaign Contributions by Employer**

4 FOR the purpose of requiring an employer who withholds by payroll deduction an
5 employee's dues to an employee membership entity to also collect certain
6 campaign contributions specified by the employee for certain affiliated political
7 action committees and then transmit the contributions to the employee
8 membership entity in accordance with certain requirements; and generally
9 relating to an employer's collection and transmittal of an employee's campaign
10 contributions to an employee membership entity.

11 BY repealing and reenacting, with amendments,
12 Article - Election Law
13 Section 13-242
14 Annotated Code of Maryland
15 (2003 Volume)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Election Law**

19 13-242.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) "Affiliated political action committee" means a political action
22 committee affiliated with an employee membership entity.

23 (3) "Employee membership entity" means an organization whose
24 membership includes employees of the employer.

25 (b) If an employer withholds from employees by payroll deduction the
26 employees' dues to an employee membership entity[,]:

1 (1) [an] THE employee ALSO may [contribute] MAKE CONTRIBUTIONS
2 by payroll deduction to one or more affiliated political action committees selected by
3 the employee; AND

4 (2) THE EMPLOYER SHALL COLLECT THE CONTRIBUTIONS AND
5 TRANSMIT THEM TO THE EMPLOYEE MEMBERSHIP ENTITY DESIGNATED BY THE
6 EMPLOYEE IN ACCORDANCE WITH THE REQUIREMENTS OF SUBSECTION (C) OF THIS
7 SECTION.

8 (c) Periodic contributions collected by payroll deductions pursuant to a
9 program established under subsection (b) of this section shall be:

10 (1) combined and accumulated in a segregated escrow account
11 maintained solely for that purpose; and

12 (2) transmitted to the employee membership entity within 30 days of
13 being withheld, together with the information required under subsection (d)(1)
14 through (4) of this section.

15 (d) An affiliated political action committee, in conjunction with its employee
16 membership entity and the employer, shall keep detailed and accurate records of each
17 contribution under subsection (b) of this section, including:

18 (1) the name of the contributor;

19 (2) the date on which the contribution was made;

20 (3) the amount of the contribution;

21 (4) the name of the affiliated political action committee designated by
22 the employee to receive the contribution; and

23 (5) the date on which the contribution was received by the employee
24 membership entity and the affiliated political action committee.

25 (e) (1) Within 30 days after it receives a contribution under subsection (c) of
26 this section, the employee membership entity shall transmit the contribution:

27 (i) to its affiliated political action committee; or

28 (ii) if a contribution is designated for a political action committee
29 affiliated with a State or local chapter of the employee membership entity, to the
30 State or local chapter of the employee membership entity.

31 (2) Within 5 days after it receives a contribution under paragraph (1)(ii)
32 of this subsection, the State or local chapter of the employee membership entity shall
33 transmit the contribution to its affiliated political action committee.

34 (3) An employee membership entity, including a State or local chapter,
35 that transfers contributions in accordance with paragraphs (1) or (2) of this

1 subsection shall include the information recorded under subsection (d) of this section
2 that is received from the employer.

3 (f) An employer, employee membership entity, or affiliated political action
4 committee, may not solicit, receive, or use employee contributions in a manner that
5 would be prohibited under § 13-241(e) and (f) of this subtitle if performed by an
6 employer.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2003.